



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

May 4, 2009

Transmitted Via E-Mail

Van Rainey, President and CEO
Integrated Management Systems Marketing, Inc.
dba Integrated Management Trade Association
849 East Stanley Boulevard, #149
Livermore, CA 94550
vanrainey@integratedta.com

Dear Mr. Rainey:

RE: MONITORING AND FINAL VISIT REPORT for IMSM 2 – ET07-0360

Date of the Visit:	1/21/09 – Monitoring Visit 4/1/09 – Final Visit
Beginning/Ending Time:	10:00 – 11:45 a.m. 2:00 – 3:00 pm
Date of Last Visit:	5/9/07
Visit Location:	ETP Foster City Office
Persons in attendance:	Van Raney, Kevin Raney, IMSM; and Teresa Teles, ETP
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	5/1/07 - 4/30/09	Agreement Amount:	\$868,925
Training Start Date:	5/1/07	No. to Retain:	300
Date Training must be Completed:	1/30/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	112

FINAL REPORT SUMMARY:

PROJECT HISTORY:

The Agreement was approved by the Panel in April 2007. In November 2007, Ms. Teles was informed by your representative, Sallyanne Monti, the then project administrator, that there had been no activity in the Agreement. In March 2008, you informed Ms. Teles that training had

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started but was suspended until the previous Agreement, ET06-0169, was closed and you would contact her once training resumed. In July 2008, a Suspend Payment was placed on your Agreement after several participating employer representatives contacted ETP reporting non-payment for services performed on the previous ETP Agreement and this could also affect the current Agreement. Ms. Teles contacted you to schedule a monitoring visit but a visit was not scheduled due schedule conflicts. Around that time, you also mentioned that little training was taking place in this agreement. You were working on a payment plan to pay the participating employers that had complained to ETP and wanted to wait to schedule a monitoring visit. The monitoring visit was scheduled on January 21, 2009 to discuss the status of the current agreement and to review training documentation. The final visit was scheduled to review the final statistics and revisions needed to the hours of training.

INTERVIEW WITH THE SIGNATORY

Ms. Teles requested but did not receive responses from you to these questions.

- What barriers, if any, did your MEC experience in implementing your ETP project?
- What problems, if any, did your MEC experience with ETP record keeping?
- What assistance could ETP have provided that would improve the process for future Contractors?
- What benefits came from the ETP training?

PROJECT STATUS:

Job Number	Average Number to Retain	Number Enrolled	Number of Trainees Dropped (following enrollment)	Trainees Completed Training	Number of Trainees Completed Training and Retention
1	300	213	57	156	156
2	0	0	0	0	0
3	0	0	0	0	0
4	0	0	0	0	0
	TOTALS	213	57	156	156

ETP's on-line records show that 156 trainees have completed training and retention (52% of planned retentions) with projected earnings of \$303,409 (35% of the ETP funds).

A trainee was previously trained under another ETP project and the company had to submit the trainee for final payment before IMSM could enroll and enter hours – the other company took a long time to submit the invoice. IMSM will be submitting the additional hours, which will increase the total funding, and will include the trainee in the closeout invoice which will be submitted after April 30, 2009, the end of the term.

You mentioned that you concentrated on training for small business priority industries, therefore, all the training was in Job 1. You provided a total of 10,914 hours plus hours for the trainee mentioned above.

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ATTENDANCE ROSTERS:

During the monitoring visit on January 21, 2009, Ms. Teles found some errors in data entry. Corrections were made and verified by Ms. Teles at the final visit as follows:

- Some trainees had additional hours that were not entered – additional hours entered.
- Some dates but different years – the duplicate 2 days were deleted.
- The 10 hours report had 7 trainees with 16 hours on one day – duplicate entries were deleted.
- Roster hours entered as 6 hours should have been 4 hours – hours revised to 4.
- Roster date was entered as 7/21/08 but should have been 7/14/08 – corrected.

MULTIPLE-EMPLOYER CONTRACTS (RETRAINEES):

Ms. Teles reviewed the Certification Statements, including number of worldwide employees to verify job numbers which correlates to the reimbursement rate, for the following participating employers: Vanderhulst Associates, Inc.; R & D Manufacturing Services; Lux Manufacturing, Inc.; Evans Precision Machinery Inc.; Alloy Metal Products; K-FAB Inc.; Thermionics metal processing, Inc.; TRI MAP International; Omega Precision Machine; and Intematix Corporation.

SUBAGREEMENTS:

The following subagreement were reviewed and approved: Vanderhulst Associates Inc.; R & D Manufacturing; Lux Manufacturing; Evans Precision Machining; Alloy Metal Products; K-Fab Inc.; Tri-Map International; Omega Precision Machine; And Intematix Corporation.

AUDIT:

IMSM will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

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If you have any questions or comments regarding this report, please contact Teresa Teles at (650) 655-6940 or at tteles@etp.ca.gov within ten (10) working days from receipt of this report.

Sincerely,



Creighton Chan, Manager
San Francisco Bay Area Regional Office



Teresa Teles, Analyst
San Francisco Bay Area Regional Office

David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File

Date report mailed to Contractor 5/4/09